

**Subpart E—Reserves and Deferrals**

**§ 36.501 General.**

(a) For separations purposes, reserves and deferrals include the following accounts:

Other Jurisdictional Assets—Net.	Account 1500
Accumulated Depreciation	Account 3100
Accumulated Depreciation—Property Held for Future Telecommunications Use.	Account 3200
Accumulated Amortization—Tangible.	Account 3400
Accumulated Amortization—Intangible.	Account 3500
Accumulated Amortization—Other.	Account 3600
Net Current Deferred Operating Income Taxes.	Account 4100
Net Noncurrent Deferred Operating Income Taxes.	Account 4340
Other Jurisdictional Liabilities and Deferred Credits—Net.	Account 4370

**§ 36.502 Other jurisdictional assets—Net—Account 1500.**

(a) Amounts in this account are separated based upon analysis of the specific items involved.

**§ 36.503 Accumulated depreciation—Account 3100.**

(a) Amounts recorded in this account shall be separated on the basis of the separation of the associated primary Plant Accounts or related categories, excluding amortizable assets.

**§ 36.504 Accumulated depreciation—Property held for future telecommunications use—Account 3200.**

(a) Amounts in this account are apportioned among the operations on the basis of the separation of the costs of the related items carried in Account 2002—Property Held for Future Telecommunications Use.

**§ 36.505 Accumulated amortization—Tangible—Account 3400. Accumulated amortization—Intangible—Account 3500, and accumulated amortization—Other—Account 3600.**

(a) Amounts in these accounts are apportioned among the operations on the basis of the separation of the related accounts.

**§ 36.506 Net current deferred operating income taxes—Account 4100 Net noncurrent deferred operating income taxes—Account 4340.**

(a) Amounts in these accounts are maintained by plant account and are apportioned among the operations on the basis of the separations of the related plant accounts.

**§ 36.507 Other jurisdictional liabilities and deferred credits—Net—Account 4370.**

(a) Amounts in this account are separated based upon an analysis of the specific items involved.

**Subpart F—Universal Service Fund**

**GENERAL**

**§ 36.601 General.**

The Universal Service Fund is derived from an expense adjustment that shall be computed in accordance with this subpart F. This adjustment shall be added to interstate expenses and deducted from state expenses after expenses and taxes have been apportioned pursuant to subpart D of this part.

(b) The expense adjustment will be computed on the basis of data for a preceding calendar year which may be updated at the option of the carrier pursuant to § 36.612(a).

(c) During an interim period commencing on January 1, 1994, and terminating on the effective date of the Commission's universal service rules, to be adopted in CC Docket 96–45 on or before May 8, 1997, the annual amount of the total Universal Service Fund shall not exceed the amount of the total Universal Service Fund for the immediately preceding calendar year, increased by a rate equal to the rate of increase in the total number of working loops nationwide during the calendar year preceding the June filing. The total Universal Service Fund shall consist of the Universal Service expense adjustments, including amounts calculated pursuant to §§ 36.612(a) and 36.631. The rate of increase in total working loops shall be based upon the difference between the number of total working loops on December 31 of the year preceding the June filing and the